



The President's Daily Brief

June 3, 1974

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

Military activity remains high in South Vietnam as the Viet Cong May-June campaign moves into its third week. There is major fighting in Binh Duong Province north of Saigon and in the northern Delta. (Page 1)

The joint communiqué following Soviet Defense Minister Grechko's four-day stay in Algeria suggests that the visit produced few, if any, tangible results. The communiqué makes no mention of new military aid agreements. (Page 2)

The Soviet naval task group that arrived in Cuba on April 30 has left Cienfuegos and seems headed for home waters. (Page 3)

The USSR may be trying to put further pressure on Egyptian President Sadat by urging East European states to cool their relations with Cairo. (Page 3)

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SOUTH VIETNAM

As the communists' May-June campaign moves into its third week, the major fighting is in Binh Duong Province and the Elephant's Foot area of the northern Delta. In Binh Duong, elements of the government's 18th Division have crossed the Thi Tinh River in an effort to recover three outposts west of Ben Cat. South Vietnamese army commanders expect heavy fighting because at least two regiments of the 9th North Vietnamese Army Division are in the area along with supporting artillery, antiaircraft, and sapper units. Elements of the 7th North Vietnamese Army Division have also been ordered into the region.

In the Delta, government forces are trying to dislodge communists from the Long Khot operations base which was abandoned to them on May 20. Government troops reportedly are encountering stiff resistance.

In the central highlands, the communists have halted Saigon's operation against Vo Dinh a few miles north of Kontum City. Two government outposts have fallen in the highlands since the campaign began, and government commanders are pessimistic about the chances of protecting other isolated outposts. They feel, however, that the communists lack the strength to threaten seriously either Kontum or Pleiku cities.

Last night, communist gunners shelled Bien Hoa airbase northeast of Saigon, hitting a napalm storage area and killing several Viet Cong prisoners of war in a nearby detention center. The communists also sank a South Korean merchant ship moored in the river south of the capital.

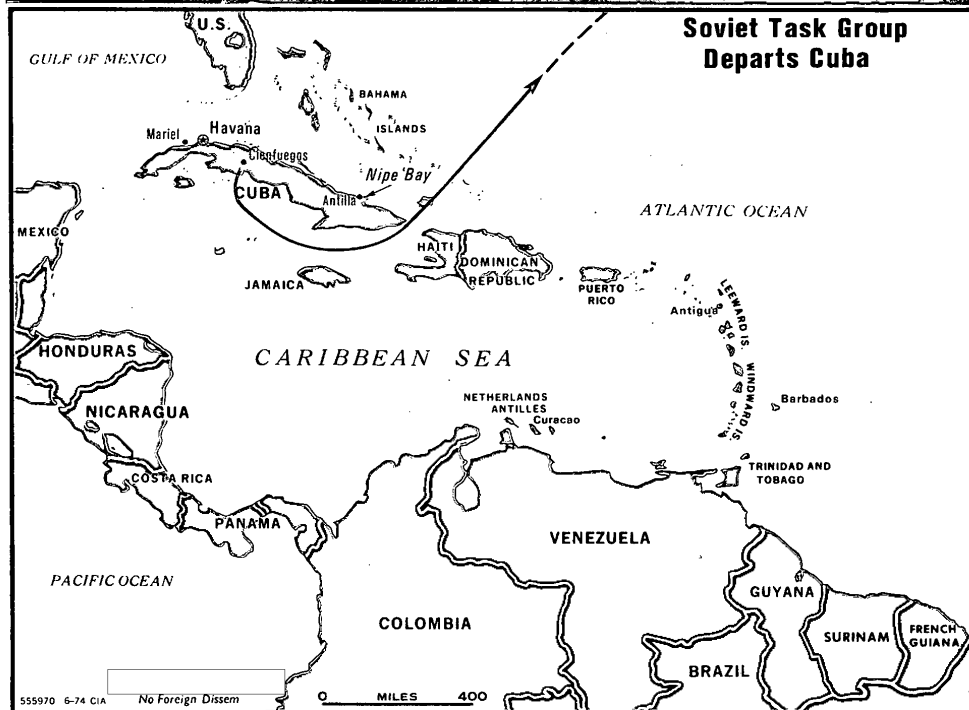
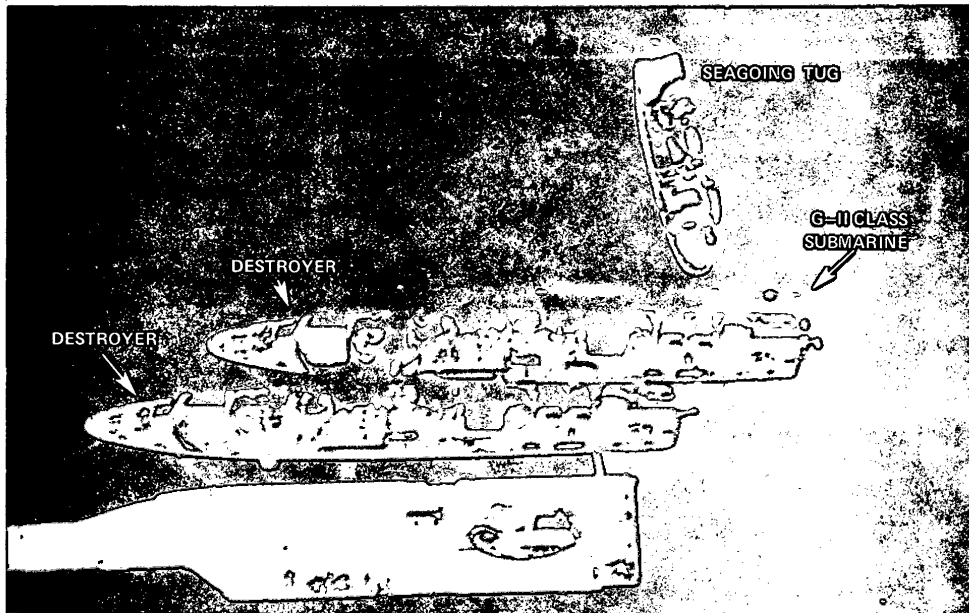
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USSR-ALGERIA

The joint communiqué following Soviet Defense Minister Grechko's four-day stay in Algeria last week suggests that the visit produced few, if any, tangible results. The communiqué makes no mention of new military aid agreements.

Grechko's visit apparently was part of Moscow's general effort to strengthen relations with key Arab states in order to compensate for weakened Soviet-Egyptian ties. The Soviets have also been trying to consolidate their position in Syria, Iraq, and Libya, but have been particularly active in Algeria.

Grechko met twice with Algerian President Boumedienne and delivered a message from General Secretary Brezhnev. S. A. Skachkov, Chairman of the Soviet State Committee for Foreign Economic Relations, preceded Grechko to Algiers and signed a protocol on economic and technical cooperation a few days before Grechko arrived. Foreign Minister Gromyko reportedly will also visit Algeria soon.



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NOTES

USSR-Cuba: The Soviet naval task group that arrived in Cuba on April 30 has left Cienfuegos and seems headed for home waters. The diesel-powered G-II ballistic missile submarine and two destroyers are now about 500 miles northeast of Cuba. Their visit was the eleventh since Soviet port calls to Cuba began in July 1969, and the second by a G-II submarine.

USSR - Egypt - East Germany: The Soviet Union may be trying to put further pressure on Egyptian President Sadat by urging East European states to cool their relations with Cairo. The East German government, at the behest of Moscow, has reportedly issued a directive to limit existing trade relations with Egypt and discourage new commercial agreements. East Germany's trade with Egypt is modest, but if similar action should be taken by other East European countries, Cairo would indeed feel the effect.

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